

1-1 By: Van de Putte S.B. No. 1542
1-2 (In the Senate - Filed March 8, 2013; March 19, 2013, read
1-3 first time and referred to Committee on Health and Human Services;
1-4 April 29, 2013, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 7, Nays 0; April 29, 2013,
1-6 sent to printer.)

1-7	COMMITTEE VOTE				
1-8		Yea	Nay	Absent	PNV
1-9	Nelson	X			
1-10	Deuell	X			
1-11	Huffman	X			
1-12	Nichols			X	
1-13	Schwertner	X			
1-14	Taylor	X			
1-15	Uresti			X	
1-16	West	X			
1-17	Zaffirini	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1542 By: Huffman

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to clinical initiatives to improve the quality of care and
1-22 cost-effectiveness of the Medicaid program.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subtitle I, Title 4, Government Code, is amended
1-25 by adding Chapter 538 to read as follows:

1-26 CHAPTER 538. MEDICAID QUALITY IMPROVEMENT PROCESS FOR CLINICAL
1-27 INITIATIVES

1-28 SUBCHAPTER A. GENERAL PROVISIONS

1-29 Sec. 538.001. DEFINITION. In this chapter, "Medicaid
1-30 program" means the medical assistance program established under
1-31 Chapter 32, Human Resources Code.

1-32 Sec. 538.002. EFFECT OF CHAPTER; AUTHORITY OF COMMISSION.
1-33 This chapter does not affect or give the commission additional
1-34 authority to:

1-35 (1) affect any individual health care treatment
1-36 decision for a Medicaid recipient;

1-37 (2) replace or affect the process of determining
1-38 Medicaid benefits, including the approval process for receiving
1-39 benefits for durable medical equipment, or any applicable approval
1-40 process required for reimbursement for services or other equipment
1-41 under the Medicaid program; or

1-42 (3) implement a clinical initiative or associated rule
1-43 or program policy that is otherwise prohibited under state or
1-44 federal law.

1-45 Sec. 538.003. RULES. The executive commissioner shall
1-46 adopt rules necessary to implement this chapter.

1-47 SUBCHAPTER B. MEDICAID QUALITY IMPROVEMENT PROCESS TO ASSESS
1-48 CERTAIN CLINICAL INITIATIVES

1-49 Sec. 538.051. MEDICAID QUALITY IMPROVEMENT PROCESS. The
1-50 commission shall, according to the provisions of this chapter,
1-51 develop and implement a quality improvement process by which the
1-52 commission:

1-53 (1) receives suggestions for clinical initiatives
1-54 designed to improve:

1-55 (A) the quality of care provided under the
1-56 Medicaid program; and

1-57 (B) the cost-effectiveness of the Medicaid
1-58 program;

1-59 (2) conducts a preliminary review under Section
1-60 538.053(4) of each suggestion received under Section 538.052 to

determine whether the suggestion warrants further consideration and analysis; and

(3) conducts an analysis under Section 538.054 of clinical initiative suggestions that are selected for analysis under Subdivision (2) and of required clinical initiatives under Section 538.0521.

Sec. 538.052. SOLICITATION OF SUGGESTIONS FOR CLINICAL INITIATIVES. (a) Subject to Subsection (b), the commission shall solicit and accept suggestions for clinical initiatives, in either written or electronic form, from:

(1) a member of the state legislature or a holder of an office of state government that is voted on statewide;

(2) the executive commissioner;

(3) the commissioner of the Department of Aging and Disability Services;

(4) the commissioner of the Department of State Health Services;

(5) the commissioner of the Department of Family and Protective Services;

(6) the commissioner of the Department of Assistive and Rehabilitative Services;

(7) the medical care advisory committee established under Section 32.022, Human Resources Code;

(8) the physician payment advisory committee created under Section 32.022(d), Human Resources Code; and

(9) the Electronic Health Information Exchange System Advisory Committee established under Section 531.904.

(b) The commission may not accept suggestions under this section for an initiative that:

(1) is undergoing clinical trials; and

(2) expands a health care provider's scope of practice beyond the law governing the provider's practice.

Sec. 538.0521. REQUIRED CLINICAL INITIATIVES. (a) In addition to the clinical initiatives selected for analysis under Section 538.054, the commission shall conduct an analysis and issue a final report in accordance with the requirements of this chapter for the following:

(1) an initiative that would require hospitals to implement evidence-based protocols, including early goal-directed therapy, in the treatment of severe sepsis and septicemia; and

(2) an initiative that would authorize the Medicaid program to provide blood-based allergy testing for patients with persistent asthma to develop an appropriate treatment strategy that would minimize exposure to allergy-induced asthma attacks.

(b) This section expires August 31, 2014.

Sec. 538.053. CLINICAL INITIATIVE EVALUATION PROCESS. The commission shall establish and implement an evaluation process for the submission, preliminary review, analysis, and approval of a clinical initiative. The process must:

(1) require that a suggestion for a clinical initiative be submitted to the state Medicaid director;

(2) require that a suggestion for a clinical initiative selected for analysis under Section 538.054 be published on the Internet website created under Section 538.056 not later than the 30th day after the date on which the state Medicaid director receives the suggestion;

(3) provide for a formal public comment period that lasts at least 30 days during which the public may submit comments and research relating to a suggested clinical initiative;

(4) allow the commission to conduct with the assistance of appropriate advisory committees or similar groups as determined by the commission a preliminary review of each suggested clinical initiative to determine whether the initiative warrants further consideration and analysis under Section 538.054;

(5) limit the number of suggestions that receive analysis under Section 538.054;

(6) require the commission to publish on the Internet website created under Section 538.056 the criteria the commission uses in the preliminary review under Subdivision (4) to determine

whether an initiative warrants analysis under Section 538.054;

(7) require commission employees to perform an analysis of each suggested clinical initiative selected for analysis in accordance with Section 538.054; and

(8) require the development and publication of a final report in accordance with Section 538.055 on each clinical initiative selected for analysis under Section 538.054 not later than the 180th day after the date on which the state Medicaid director receives the suggestion.

Sec. 538.054. ANALYSIS OF CLINICAL INITIATIVES. The commission shall conduct an analysis of each clinical initiative selected by the commission after having conducted the commission's preliminary review under Section 538.053(4). The analysis required under this section must include a review of:

(1) any public comments and submitted research relating to the initiative;

(2) the available clinical research and historical utilization information relating to the initiative;

(3) published medical literature relating to the initiative;

(4) any adoption of the initiative by medical societies or other clinical groups;

(5) whether the initiative has been implemented under:

(A) the Medicare program;

(B) another state medical assistance program; or

(C) a state-operated health care program, including the child health plan program;

(6) the results of reports, research, pilot programs, or clinical studies relating to the initiative conducted by:

(A) institutions of higher education, including related medical schools;

(B) governmental entities and agencies; and

(C) private and nonprofit think tanks and research groups;

(7) the impact that the initiative would have on the Medicaid program if implemented in this state, including:

(A) an estimate of the number of recipients under the Medicaid program that would be impacted by implementation of the initiative; and

(B) a description of any potential cost savings to the state that would result from implementation of the initiative; and

(8) any statutory barriers to implementation of the initiative.

Sec. 538.055. FINAL REPORT ON CLINICAL INITIATIVE. The commission shall prepare a final report based on the commission's analysis of a clinical initiative under Section 538.054. The final report must include:

(1) a final determination of:

(A) the feasibility of implementing the initiative;

(B) the likely impact implementing the initiative would have on the quality of care provided under the Medicaid program; and

(C) the anticipated cost savings to the state that would result from implementing the initiative;

(2) a summary of the public comments, including a description of any opposition to the initiative;

(3) an identification of any statutory barriers to implementation of the initiative; and

(4) if the initiative is not implemented, an explanation of the decision not to implement the initiative.

Sec. 538.056. INTERNET WEBSITE. The commission shall maintain an Internet website related to the quality improvement process required under this chapter. The website must include:

(1) an explanation of the process for submission, preliminary review, analysis, and approval of clinical initiatives under this chapter;

(2) an explanation of how members of the public may

4-1 submit comments or research related to an initiative;

4-2 (3) a copy of each initiative selected for analysis
4-3 under Section 538.054;

4-4 (4) the status of each initiative in the approval
4-5 process; and

4-6 (5) a copy of each final report prepared under this
4-7 chapter.

4-8 Sec. 538.057. ACTION ON CLINICAL INITIATIVE BY COMMISSION.

4-9 After the commission conducts an analysis of a clinical initiative
4-10 under Section 538.054:

4-11 (1) if the commission has determined that the
4-12 initiative is cost-effective and will improve the quality of care
4-13 under the Medicaid program, the commission shall:

4-14 (A) submit the initiative to the Legislative
4-15 Budget Board and the governor for review; and

4-16 (B) if the commission does not receive a written
4-17 objection from the Legislative Budget Board or the governor to the
4-18 initiative on or before the 30th day after the date the commission
4-19 submits the initiative:

4-20 (i) implement the initiative if
4-21 implementation of the initiative is not otherwise prohibited by
4-22 law; or

4-23 (ii) if implementation requires a change in
4-24 law, submit a copy of the final report together with
4-25 recommendations relating to the initiative's implementation to the
4-26 standing committees of the senate and house of representatives
4-27 having jurisdiction over the Medicaid program; and

4-28 (2) if the commission has determined that the
4-29 initiative is not cost-effective or will not improve quality of
4-30 care under the Medicaid program, the commission may not implement
4-31 the initiative.

4-32 SECTION 2. Not later than January 1, 2014, the Health and
4-33 Human Services Commission shall conduct an analysis and submit a
4-34 final report on the clinical initiatives required under Section
4-35 538.0521, Government Code, as added by this Act.

4-36 SECTION 3. If before implementing any provision of this Act
4-37 a state agency determines that a waiver or authorization from a
4-38 federal agency is necessary for implementation of that provision,
4-39 the agency affected by the provision shall request the waiver or
4-40 authorization and may delay implementing that provision until the
4-41 waiver or authorization is granted.

4-42 SECTION 4. This Act takes effect immediately if it receives
4-43 a vote of two-thirds of all the members elected to each house, as
4-44 provided by Section 39, Article III, Texas Constitution. If this
4-45 Act does not receive the vote necessary for immediate effect, this
4-46 Act takes effect September 1, 2013.

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